

R. Kothari & Company

CHARTERED ACCOUNTANTS
MUMBAI, KOLKATA, NEW DELHI

INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors of
ROHIT FERRO-TECH LIMITED

We have reviewed the accompanying statement of unaudited financial results of **ROHIT FERRO-TECH LIMITED** (the company) for the period ended 31st December, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the **Standard on Review Engagement (SRE) 2400, 'Engagement to Review Financial Statement'** issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform to review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Attention is drawn to the following notes of the accompanying results:

1. We draw attention to Note 5 of financial statements which indicates that as at December 31st, 2015, the accumulated losses amounting to **Rs. 61,570.08 Lacs** which has eroded net worth of the company, indicating the existence of a material uncertainty about the company's ability to continue as a going concern. These financial results have been prepared on a going concern basis for the reasons stated in the said note.
2. Certain balances of Sundry Creditors, Sundry Debtors, Loans & Advances, are subject to confirmation and reconciliation, as referred in Note No. 7 of the accompanying statements.
3. Statutory Liabilities totalling to Rs. 1632.38 lacs in respect to ESI, PF, TDS, Service Tax, Excise Duties & Cess etc remains due for deposit as on date. In



respect of the same, interest and penalty, if any, has remained unascertained and unaccounted for. In general, it was noticed that applicable statutory dues were not deposited within due dates to the respective authorities.

4. The company has temporarily suspended its operations at Haldia Plant, with effect from 1st July, 2015 as stated in Note No. 4 of the accompanying statement.
5. The Joint Lender Forum (JLF) in case of Rohit Ferro-Tech Limited has approved "in principle" the decision for the invocation of SDR in terms of RBI guidelines and among other things is exploring the investment proposals in the said company. The company's investment being strategic in nature, pending implementation of these measures have been continued to be carried at cost.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **R.Kothari & Company**
Chartered Accountants
Firm Reg. No.:-307069E



Manoj Kumar Sethia

CA. Manoj Kumar Sethia
Partner
Membership No.:- 064308

Date: 12.02.2016
Place: Kolkata

ROHIT FERRO-TECH LIMITED

Registered Office : 35, Chittaranjan Avenue, Kolkata - 700 012

Phone: 033 4016 8000, E-mail Id: cs@rohitferrotech.com

CIN: L27104WB2000PLC091629

Website : www.rohitferrotech.com

PART I (Rs. in Lacs)

Statement of Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2015

| Particulars | Three months ended 31.12.2015 | Preceding three months ended 30.09.2015 | Corresponding Three months ended 31.12.2014 in the Previous Year | Year to date figures for Nine Months ended 31.12.2015 | Corresponding Nine months ended 31.12.2014 in the previous year | Previous year ended 31.03.2015 |
|---|----------------------------------|--|---|--|--|-----------------------------------|
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 Income from Operations | | | | | | |
| a) Net Sales/Income from Operations (Net of excise duty) | 32,105 | 47,997 | 52,198 | 1,33,260 | 1,46,901 | 1,85,667 |
| b) Other Operating Income | 107 | 166 | 460 | 395 | 1,558 | 1,875 |
| Total Income from Operations (net) | 32,212 | 48,163 | 52,658 | 1,33,655 | 1,48,459 | 1,87,542 |
| 2 Expenses | | | | | | |
| a) Cost of materials consumed | 17,385 | 27,073 | 23,021 | 65,867 | 78,492 | 97,056 |
| b) Purchase of Stock-in-Trade | 12,110 | 14,387 | 17,733 | 45,792 | 40,206 | 47,115 |
| c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 4,572 | 2,150 | (2,397) | 7,576 | (4,110) | (3,171) |
| d) Employee benefits expense | 415 | 460 | 631 | 1,470 | 1,870 | 2,533 |
| e) Depreciation and amortisation expense | 882 | 626 | 646 | 2,137 | 1,950 | 2,575 |
| f) Power | 2,616 | 5,660 | 9,353 | 15,841 | 28,574 | 36,880 |
| g) Other Expenses | 2,119 | 2,586 | 5,224 | 8,615 | 15,607 | 21,071 |
| Total Expenses | 40,099 | 52,942 | 54,211 | 1,47,298 | 1,62,589 | 2,04,060 |
| 3 Profit/(Loss) from operations before other income, finance costs & exceptional items (1-2) | (7,887) | (4,779) | (1,553) | (13,643) | (14,130) | (16,518) |
| 4 Other Income | 55 | 494 | 116 | 606 | 647 | 759 |
| 5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4) | (7,832) | (4,285) | (1,437) | (13,037) | (13,483) | (15,759) |
| 6 Finance costs | 6,021 | 5,355 | 5,357 | 16,535 | 14,973 | 19,524 |
| 7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6) | (13,853) | (9,640) | (6,794) | (29,572) | (28,456) | (35,283) |
| 8 Less: Exceptional items | - | - | - | - | - | - |
| 9 Profit/(Loss) from Ordinary Activities before tax (7-8) | (13,853) | (9,640) | (6,794) | (29,572) | (28,456) | (35,283) |
| 10 Tax expense | | | | | | |
| - Current Tax | - | - | - | - | - | - |
| - Mat Credit Entitlement | - | - | - | - | - | - |
| - Deferred Tax | - | - | - | - | - | - |
| - Earlier Years' Tax | - | - | - | - | - | - |
| Total Tax Expense | - | - | - | - | - | - |
| 11 Net Profit/(Loss) from Ordinary Activities after tax (9-10) | (13,853) | (9,640) | (6,794) | (29,572) | (28,456) | (35,283) |
| 12 Extraordinary items | - | - | - | - | - | - |
| 13 Net Profit/(Loss) for the period (11-12) | (13,853) | (9,640) | (6,794) | (29,572) | (28,456) | (35,283) |
| 14 Paid-up equity share capital (Face Value of Rs. 10/- per Share) | 11,378 | 11,378 | 11,378 | 11,378 | 11,378 | 11,378 |
| 15 Reserves excluding Revaluation Reserves | | | | | | 11,082 |
| 16 Earnings per share of Re 10 per share (Not Annualised) | | | | | | |
| Basic: | (12.18) | (8.47) | (5.97) | (25.99) | (25.01) | (31.01) |
| Diluted: | (12.18) | (8.47) | (5.97) | (25.99) | (25.01) | (31.01) |



Segment wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement.

(Rs. In Lacs)

| Sl | Particulars | Three months ended 31.12.2015 | Preceding Three months ended 30.09.2015 | Corresponding Three months ended 31.12.2014 in the Previous Year | Year to date figures for Nine Months ended 31.12.2015 | Corresponding Nine months ended 31.12.2014 in the previous Year | Year ended 31.03.2015 |
|----------|---|----------------------------------|--|---|--|--|--------------------------|
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Segment Revenue | | | | | | |
| | a) Ferro Alloys | 15,562 | 26,497 | 25,537 | 66,844 | 79,948 | 1,00,979 |
| | b) Iron & Steel | 17,987 | 25,310 | 31,967 | 75,905 | 81,827 | 1,04,607 |
| | Total | 33,549 | 51,807 | 57,504 | 1,42,749 | 1,61,775 | 22,05,586 |
| | Less: Inter Segment Revenue | 1,337 | 3,644 | 4,846 | 9,094 | 13,316 | 18,044 |
| | Total Income From Operations (net) | 32,212 | 48,163 | 52,658 | 1,33,655 | 1,48,459 | 1,87,542 |
| 2 | Segment Results | | | | | | |
| | Profit before Finance Costs & Tax | | | | | | |
| | a) Ferro Alloys | (4,961) | (3,612) | (2,294) | (9,963) | (10,603) | (10,699) |
| | b) Iron & Steel | (2,893) | (695) | 837 | (3,138) | (2,937) | (5,136) |
| | c) Un-allocated | 22 | 22 | 20 | 64 | 57 | 76 |
| | Total Segment Profit before Finance Costs and Tax | (7,832) | (4,285) | (1,437) | (13,037) | (13,483) | (15,759) |
| | Less: Finance Costs | 6,021 | 5,355 | 5,357 | 16,535 | 14,973 | 19,524 |
| | Less: Exceptional Items | - | - | - | - | - | - |
| | Profit/(Loss) before tax | (13,853) | (9,640) | (6,794) | (29,572) | (28,456) | (35,283) |
| 3 | Capital employed (Segment assets-Segment liabilities) | | | | | | |
| | a) Ferro Alloys | 1,74,455 | 1,79,219 | 1,97,876 | 1,74,455 | 1,97,876 | 1,98,194 |
| | b) Iron & Steel | 59,794 | 55,459 | 44,231 | 59,794 | 44,231 | 41,036 |
| | c) Un-allocated | 7,517 | 7,515 | 7,224 | 7,517 | 7,224 | 7,485 |
| | Total Capital Employed | 2,41,766 | 2,42,193 | 2,49,331 | 2,41,766 | 2,49,331 | 2,46,715 |

Notes:

- The above audited results for the period ended December 31, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 12, 2016.
- The long stop date in terms of the BTA with M/s Balasore Alloys Ltd., for the sale, transfer or otherwise disposal of Company's Manufacturing Unit at Jajpur, Odisha as a going concern has been extended till 31-03-2016.
- The Joint Lender Forum (JLF) in case of Rohit Ferro Tech Ltd has since approved "in principle" the decision for the invocation of Strategic Debt Restructuring (SDR) in terms of RBI Guidelines and among other things is exploring the investment proposals in the said company. The company's investment being strategic in nature, pending implementation of these measures have been continued to be carried at cost.
- The operations at Company's Haldia plant continues to remain suspended since July'2015.
- The operations of the company are severely impacted by weak steel industry scenario and lack of demand for company's finished product, liquidity crunch and low capacity utilisation. The company has incurred loss (after tax) of Rs.29,572.00 Lacs and accumulated losses as on 31-12-2015 is Rs.61,570.08 Lacs resulting into network erosion of the company. Based on the developments as stated in Note No. 2 & 3 above, the financial statements has been prepared under 'Going Concern Basis'.
- Pursuant to CDR Package, the Company has received unsecured loans amounting to Rs.7280 lacs from promoters & promoter group companies as promoter's contribution, to be converted into equity, at such price as will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations. The company has received in-principal approval from Stock Exchanges and allotment of equity shares are under process. Pending allotment the same has not been considered in the calculation of EPS.
- In the opinion of the management, current and non-current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities. Certain balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation.
- This Financial Statement has been prepared in accordance with Regulation 33 of SEBI (Listing Obligation Requirements) Regulation 2015.
- The figures of the previous year/period have been regrouped/reclassified, wherever necessary to confirm to the classification for the period ended 31st, December 2015.

Place: Kolkata

Dated: 12th February, 2016



On behalf of the Board of Directors

Suresh Kumar Patni
Chairman